

READ BETWEEN THE LINES

Several major scams tout display rack distributorships for products from companies that are household names. Check out the company you will be dealing with.

Your biz op seller may not be affiliated with the well-known company.

The seller could make this much, but could you?

You weren't here the last time we were in town.

WELL KNOWN LICENSED PRODUCTS
Dealerships Now Available
\$100,000 Annual Potential
First Time Offered!
Work from home. Part-time or Full-time.
 Ideal, fun family business.
No experience needed.
 Simply restock profitable accounts (Gift shops, malls, drug stores, convenience stores, supermarkets, etc...) Will not interfere with present employment. No selling required.
 Requires \$14,000-\$46,000 investment.
For More Information call 1-800-

If you had experience, you'd know that it can be hard to break even if you're paying a high premium for display racks, inventory and sales commissions.

Most scams rely on you or a locating company to find accounts for your displays.

Popular chain stores usually don't let outsiders put display racks in their stores.

SEARCH AND DISPLAY

ADS
 BUY
 CLAIMS
 DISPLAY RACK
 DISTRIBUTOR
 EARNINGS
 ENTREPRENEUR
 FEE
 FIRM
 FRAUD
 INVENTORY

INVESTMENT
 LICENSED
 LOCATION
 MALL
 MONEY
 RETAIL
 SCAM
 SHILL
 TRADEMARK
 WHOLESALE

K P E
 I X O J B R R
 D I S T R I B U T O R
 K I D N U F D E E Y A D E
 W S S I N V E N T O R Y I W P
 R M P U D N E R M C E O L A F
 X S R L U C R A S H I L L U M R B
 A W N A D P D R P T K A W V S J O
 T M B R Y E E E N O J M S M I A L C C
 L L F I R M I S I V Y Y E O V D B N O
 P R E T A I L L N C A H L N Q S H N X
 S N R C U X O G E H V O E T Y B N
 E K Q K Z G S S M C I H Y Z P R Z
 B X C X P W C F T I W W X R Z
 C O M O A B I A C H L K P O Z
 O F L C P C L M J N K O S
 N B P O G K Q M H H I
 L P Q C X U P
 J A D

Thinking about investing in a display rack opportunity? The Federal Trade Commission has a message for you: Do a claim check to avoid going to display “rack and ruin.”



- ✓ Check out the promoter:
 - Call the legal department of the company whose items are being promoted.
 - Find out whether the promoter is affiliated with the company.
 - Ask if the company has ever threatened trademark action against the promoter.
- ✓ Get a list of previous investors, as well as their addresses and phone numbers. The FTC's Franchise Rule requires it and any legitimate business should be happy to provide it.
- ✓ Get earnings claims in writing and substantiate them. Be sure to get the number and percent of others who have earned at least as much as the promoter claims.
- ✓ Consult an attorney, accountant, or trusted financial business advisor before you sign any agreement or make any upfront payments.

Dollars and Sense



Buying into any business opportunity can be expensive. If it turns out to be a scam, it can cost more than money. Before you make any financial commitments:

- \$ Decide how much money you can afford to lose; don't let anyone talk you into investing more. If the business is successful, you can expand it later.
- \$ Determine how much income you need from the business. Talk to other investors to see if they are making that much after meeting their expenses.
- \$ Insist on meeting experienced investors in person, and visit their locations.
- \$ Find out where your money is going. How much for sales commissions? How much for equipment and supplies? How much for initial inventory?
- \$ Figure out how much you will have to sell—and at what price—to recover your investment. Be sure that the prices you need to charge are competitive in your location.

RESOURCES

For more information on display racks and other business opportunities, contact:

Federal Trade Commission (FTC)
6th & Pennsylvania Ave., NW
Washington, DC 20580
www.ftc.gov

The National Fraud Information Center (NFIC)

1-800-876-7060

www.fraud.org

The NFIC, a project of the National Consumers League, is a private nonprofit organization that operates a consumer hotline to provide service and assistance in filing complaints. NFIC helps the FTC and the state Attorneys General by entering complaints into a computerized database to help track and identify fraud operators.

Your local Better Business Bureau.

Your local consumer protection office.



FTC briefs



Details inside...

Federal Trade Commission
Bureau of Consumer Protection
Office of Consumer and Business Education
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